

FEDERAL REGISTER



VOLUME 18 NUMBER 198

Washington, Friday, October 9, 1953

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICES

MISCELLANEOUS AMENDMENTS

Effective upon publication in the FEDERAL REGISTER, § 6.104 (c) (4) and (f) § 6.112 (a) (1) (d) and (1) (1) and (2), § 6.125 (a) (e) and (f) and § 6.360 are revoked, and the positions listed below in the Departments of Defense and Commerce, and in the Federal Power Commission and Small Business Administration are excepted from the competitive service under Schedule C.

§ 6.304 *Department of Defense—(a) Office of the Secretary.* * * *

(2) * * * One confidential assistant (private secretary) to the Assistant Secretary of Defense, Legislative Affairs; the Assistant Secretary of Defense, Applications Engineering; the Assistant Secretary of Defense, Properties and Installations; the Assistant Secretary of Defense, Health and Medical; the Assistant Secretary of Defense, Supply and Logistics; the General Counsel; the U. S. Military Representative, NATO Standing Group; and the Assistant to the Secretary of Defense, Atomic Energy.

(3) One confidential assistant to the Assistant Secretary of Defense, Supply and Logistics.

(4) One confidential secretary to the Defense Advisor to the United States Permanent Representative to the North Atlantic Council.

§ 6.312 *Department of Commerce.* * * *

(d) *Civil Aeronautics Administration.* (1) One confidential assistant to the Administrator.

(2) Deputy Administrator.

(3) General Counsel.

(4) One private secretary to the Administrator, the Deputy Administrator, and the General Counsel.

(f) *Bureau of Census.* (1) One confidential assistant to the Director.

(2) One private secretary to the Director.

(g) *Weather Bureau.* (1) One private secretary to the Chief.

(h) *National Bureau of Standards.* (1) One private secretary to the Director.

(1) *Bureau of Public Roads.* (1) Commissioner of Public Roads.

(2) Solicitor.

(3) One confidential assistant to the Commissioner.

(4) One private secretary to the Commissioner.

(5) One private secretary to the Solicitor.

(j) *Patent Office.* (1) Private secretary to the Commissioner, and to each of the Assistant Commissioners.

(k) *Coast and Geodetic Survey.* (1) One confidential assistant to the Director.

(2) One private secretary to the Director.

(3) One private secretary to the Assistant Director.

§ 6.325 *Federal Power Commission.*

(a) One private secretary and one confidential assistant to each Commissioner.

(b) One assistant to the Chairman.

(c) General Counsel.

§ 6.364 *Small Business Administration.* * * *

(e) Director, Office of Financial Assistance.

(f) Director, Office of Procurement Assistance.

(g) Director, Office of Production and Distribution Assistance.

(h) Director, Office of Programs and Planning.

(1) Director, Office of Information.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633. E. O. 10440, Mar. 31, 1953, 18 F. R. 1823)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] WM. C. HULL,
Executive Assistant.

[F. R. Doc. 53-8632; Filed, Oct. 8, 1953; 8:51 a. m.]

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CFR SUPPLEMENTS

(For use during 1953)

The following Supplement is now available:

Title 14: Parts 1-399 (Revised Book) (\$6.00)

Previously announced: Title 3 (\$1.75); Titles 4-5 (\$0.55); Title 6 (\$1.50); Title 7: Parts 1-209 (\$1.75), Parts 210-899 (\$2.25), Part 900-end (Revised Book) (\$6.00); Title 8 (Revised Book) (\$1.75); Title 9 (\$0.40); Titles 10-13 (\$0.40); Title 14: Part 400-end (Revised Book) (\$3.75); Title 15 (\$0.75); Title 16 (\$0.65); Title 17 (\$0.35); Title 18 (\$0.35); Title 19 (\$0.45); Title 20 (\$0.60); Title 21 (\$1.25); Titles 22-23 (\$0.65); Title 24 (\$0.65); Title 25 (\$0.40); Title 26: Parts 80-169 (\$0.40), Parts 170-182 (\$0.65), Parts 183-299 (\$1.75); Title 26: Part 300-end, Title 27 (\$0.60); Titles 28-29 (\$1.00); Titles 30-31 (\$0.65); Title 32: Parts 1-699 (\$0.75), Part 700-end (\$0.75); Title 33 (\$0.70); Titles 35-37 (\$0.55); Title 38 (\$1.50); Title 39 (\$1.00); Titles 40-42 (\$0.45); Title 43 (\$1.50); Titles 44-45 (\$0.60); Title 46: Parts 1-145 (Revised Book) (\$5.00), Part 146-end (\$2.00); Titles 47-48 (\$2.00); Title 49: Parts 1-70 (\$0.50), Parts 71-90 (\$0.45), Parts 91-164 (\$0.40), Part 165-end (\$0.55); Title 50 (\$0.45).

Order from

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CODIFICATION GUIDE

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TITLE 6—AGRICULTURAL CREDIT

Chapter I—Farm Credit Administration, Department of Agriculture

Subchapter B—Federal Farm Loan System

PART 10—FEDERAL LAND BANKS GENERALLY

LOAN TO TRUSTEES AND GUARDIANS

Section 10.4, concerning loans to trustees, and § 10.5, concerning loans to guardians, of Title 6 of the Code of Federal Regulations (18 F. R. 4773), are hereby revised to read as follows:

§ 10.4 *Trustees (whether appointed by will or deed)* Loans may be made to trustees (whether appointed by will or deed) when (a) the trustee in his fiduciary capacity is engaged, or shortly to become engaged, in farming operations, or the beneficiaries of the trust are engaged in farming operations or derive the principal part of their income from farming operations; and (b) a valid lien can and will be given on the property on which the loan is sought; and (c) the trustee, or any cotrustee, or some individual beneficiary of the trust can and will incur personal liability for the loan—the national farm loan association stock and membership ordinarily to be in the name of the trustee in his fiduciary capacity, although such stock and membership may be in the name of an individual beneficiary who also incurs personal liability for the loan.

§ 10.5 *Guardians.* Loans may be made to guardians when (a) the guardian in his fiduciary capacity is engaged, or shortly to become engaged, in farming operations, or the wards are engaged in farming operations or derive the principal part of their income from farming operations; and (b) a valid lien can and will be given on the property on which the loan is sought; and (c) an individual sufficiently interested so to do, can and will incur personal liability for the loan—the national farm loan association

stock and membership to be in the name of the guardian in his fiduciary capacity. (Sec. 6, 47 Stat. 14, 12 U. S. C. 665)

[SEAL] E. DIEBEL,
Acting Land Bank Commissioner.

[F. R. Doc. 53-8633; Filed, Oct. 8, 1953;
8:51 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

[Civil Air Regs., Amdt. 61-12]

PART 61—SCHEDULED AIR CARRIER RULES

POSTPONEMENT OF EFFECTIVE DATE OF REVOCATION

Correction

In F. R. Doc. 53-8429, appearing at page 6257 of the issue for Thursday, October 1, 1953, the bracket preceding the part heading should read as set forth above.

TITLE 32—NATIONAL DEFENSE

Chapter IV—Joint Regulations of the Armed Forces

Subchapter A—Armed Services Procurement Regulation

PART 407—TERMINATION OF CONTRACTS

MISCELLANEOUS AMENDMENTS

The following changes to the above part clarify the Government's right to settle subcontractor's claims directly. The exercise of such rights by Contracting Officers is made subject to such approvals as the Department may require.

1. Section 407.518-8 is amended to reads as follows:

§ 407.518-8 *Judgments of subcontractors against prime contractors.* (a) In the event a subcontractor obtains a final judgment against a prime contractor, the Contracting Officer shall, for the purposes of settling the prime contract, treat the amount of the judgment as a cost of settling with subcontractors, to the extent such judgment is properly allocable to the terminated portion of the prime contract: *Provided, That:*

(1) The prime contractor has made reasonable efforts to include in its subcontract or purchase order the suggested subcontract termination clause set forth in § 407.706 or one substantially similar excluding payment of anticipatory profits or consequential damages; and

(2) The provisions of the subcontract relating to the rights of the parties thereto upon its termination or cancellation in whole or in part are fair and reasonable and do not unreasonably increase the common law rights of the subcontractor; and

(3) The Contractor has made reasonable efforts to settle the claim of the subcontractor; and

(4) The Contractor has given prompt notice to the Contracting Officer of the initiation of the proceedings in which such judgment was rendered and has offered in writing to give the Government control of the defense of the proceedings; and

(5) The Contractor has diligently defended the suit or, if the Government has assumed control of the defense of the proceedings, has rendered such reasonable assistance as has been requested by the Government.

(b) If the foregoing conditions are not all met, the Contracting Officer may allow the Contractor such part of the judgment as he considers a fair amount for settling the termination claim under the subcontract, giving due regard to the policies for settlement of such claims which are set forth in this subpart.

2. The headnote of § 407.518-11 is changed so that the section now reads as follows:

§ 407.518-11 *Government assistance in settlement of subcontracts.* When such action is in the interest of the Government, and the prime contractor consents, an agreement may be entered into among the Government, the prime contractor, and a subcontractor covering the settlement of one or more subcontracts. In any such case, payment to the subcontractor should be effected through the prime contractor as part of the over-all settlement with the latter.

3. Section 407.518-12 is reworded to clarify the Contracting Officer's responsibility to direct the prime contractor to assign to the government its rights, title and interest under any orders or subcontracts terminated by reason of their relation to the terminated portion of the prime contract.

§ 407.518-12 *Assignment of rights under subcontracts.* In accordance with the provisions of the Standard Termination Clauses set forth in Subpart G, of this part, the prime contractor is obligated to assign to the Government, in the manner, at the times, and to the extent directed by the Contracting Officer, all its right, title and interest under any orders or subcontracts terminated by reason of their relation to the terminated portion of the prime contract. The Contracting Officer will not require the Contractor to assign to the Government the Contractor's rights under terminated subcontracts unless the Contracting Officer determines that such assignment is in the best interest of the Government.

4. A new section is added as § 407.518-13 and the former § 407.518-13 becomes § 407.518-14, as follows:

§ 407.518-13 *Settlement of subcontracts assigned to the Government.* In giving the Government the right to require the assignment of the prime contractor's interest in the terminated orders or subcontracts, as explained in the preceding paragraph, the Standard Termination Clauses set forth in Subpart G of this part further provide that in any such case the Government shall have the right, in its discretion, to settle and pay any or all claims arising out of the termination of such orders or subcontracts. The reservation of such right does not impose on the Government the obligation to settle and pay termination claims of subcontractors.

As a general rule, the prime contractor has the obligation to settle and pay such claims. Where, however, in the opinion of the Contracting Officer, it is in the best interest of the Government to settle and pay a subcontractor's termination claim directly, he shall first obtain approval in accordance with departmental procedures.

§ 407.518-14 *Subcontract termination inventory.* All termination inventory of a subcontractor must be disposed of and be accounted for in accordance with Subpart F of this part, except as otherwise provided in § 407.518-6.

5. Sections 407.701, 407.702, 407.703, and 407.704 are amended to clarify the Government's right to settle subcontractors' claims directly.

§ 407.701 *Termination clause for fixed-price contracts.* The following standard clause shall be used in any fixed-price contract in excess of \$1,000, except as otherwise permitted under § 407.705-1, for supplies or experimental developmental, or research work other than (a) construction, alterations, or repair of buildings, bridges, roads, or other kinds of real property, or (b) experimental, developmental, or research work with educational or non-profit institutions, where no profit is contemplated.

TERMINATION FOR CONVENIENCE OF THE GOVERNMENT

(a) The performance of work under this contract may be terminated by the Government in accordance with this clause in whole, or from time to time in part, whenever the Contracting Officer shall determine that such termination is in the best interests of the Government. Any such termination shall be effected by delivery to the Contractor of a Notice of Termination specifying the extent to which performance of work under the contract is terminated, and the date upon which such termination becomes effective.

(b) After receipt of a Notice of Termination, and except as otherwise directed by the Contracting Officer, the Contractor shall (1) stop work under the contract on the date and to the extent specified in the Notice of Termination; (2) place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract as is not terminated; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination; (4) assign to the Government, in the manner, at the times, and to the extent directed by the Contracting Officer, all of the right, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the Government shall have the right, in its discretion to settle or pay any or all claims arising out of the termination of such orders and subcontracts; (5) settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Contracting Officer, to the extent he may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title and deliver to the Government, in the manner, at the times, and to the extent, if any, directed by the Contracting Officer, (1) the fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced as a part of, or acquired in connection with the per-

formance of, the work terminated by the Notice of Termination, and (ii) the completed or partially completed plans, drawings, information, and other property which, if the contract had been completed, would have been required to be furnished to the Government; (7) use its best efforts to sell, in the manner, at the times, to the extent, and at the price or prices directed or authorized by the Contracting Officer, any property of the types referred to in provision (6) of this paragraph. *Provided, however* That the Contractor (1) shall not be required to extend credit to any purchaser and (ii) may acquire any such property under the conditions prescribed by and at a price or prices approved by the Contracting Officer: *And provided further* That the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the Government to the Contractor under this Contract or shall otherwise be credited to the price or cost of the work covered by this contract or paid in such other manner as the Contracting Officer may direct; (8) complete performance of such part of the work as shall not have been terminated by the Notice of Termination; and (9) take such action as may be necessary, or as the Contracting Officer may direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor and in which the Government has or may acquire an interest. At any time after expiration of the plant clearance period, as defined in Part 407, Armed Services Procurement Regulation, as it may be amended from time to time, the Contractor may submit to the Contracting Officer a list, certified as to quantity and quality, of any or all items of termination inventory not previously disposed of, exclusive of items the disposition of which has been directed or authorized by the Contracting Officer, and may request the Government to remove such items or enter into a storage agreement covering them. Not later than fifteen (15) days thereafter, the Government will accept title to such items and remove them or enter into a storage agreement covering the same: *Provided*, That the list submitted shall be subject to verification by the Contracting Officer upon removal of the items, or if the items are stored, within forty-five (45) days from the date of submission of the list, and any necessary adjustment to correct the list as submitted shall be made prior to final settlement.

(c) After receipt of a Notice of Termination, the Contractor shall submit to the Contracting Officer its termination claim, in the form and with the certification prescribed by the Contracting Officer. Such claim shall be submitted promptly but in no event later than two years from the effective date of termination, unless one or more extensions in writing are granted by the Contracting Officer, upon request of the Contractor made in writing within such two-year period or authorized extension thereof. However, if the Contracting Officer determines that the facts justify such action, he may receive and act upon any such termination claim at any time after such two-year period or any extension thereof. Upon failure of the Contractor to submit its termination claim within the time allowed, the Contracting Officer may determine, on the basis of information available to him the amount, if any, due to the Contractor by reason of the termination and shall thereupon pay to the Contractor the amount so determined.

(d) Subject to the provisions of paragraph (c), the Contractor and the Contracting Officer may agree upon the whole or any part of the amount or amounts to be paid to the Contractor by reason of the total or partial termination of work pursuant to this clause, which amount or amounts may include a reasonable allowance for profit on

work done. The contract shall be amended accordingly, and the Contractor shall be paid the agreed amount. Nothing in paragraph (e) of this clause, prescribing the amount to be paid to the Contractor in the event of failure of the Contractor and the Contracting Officer to agree upon the whole amount to be paid to the Contractor by reason of the termination of work pursuant to this clause, shall be deemed to limit, restrict, or otherwise determine or affect the amount or amounts which may be agreed upon to be paid to the Contractor pursuant to this paragraph (d).

(e) In the event of the failure of the Contractor and the Contracting Officer to agree as provided in paragraph (d) upon the whole amount to be paid to the Contractor by reason of the termination of work pursuant to this clause, the Contracting Officer shall determine, on the basis of information available to him, the amount, if any, due to the Contractor by reason of the termination and shall pay to the Contractor the amounts determined as follows:

(1) For completed supplies accepted by the Government (or sold or acquired as provided in paragraph (b) (7) above) and not theretofore paid for, a sum equivalent to the aggregate price for such supplies computed in accordance with the price or prices specified in the contract, appropriately adjusted for any saving of freight or other charges;

(2) The total of—

(i) The costs incurred in the performance of the work terminated, including initial costs and preparatory expense allocable thereto, but exclusive of any costs attributable to supplies paid for or to be paid for under paragraph (e) (1) hereof;

(ii) The cost of settling and paying claims arising out of the termination of work under subcontracts or orders, as provided in paragraph (b) (5) above, which are properly chargeable to the terminated portion of the contract (exclusive of amounts paid or payable on account of supplies or materials delivered or services furnished by subcontractors or vendors prior to the effective date of the Notice of Termination, which amounts shall be included in the costs under (1) above).

(iii) A sum equal to 2 percent of that part of the amount determined under (i) which represents the cost of articles and materials not processed by the Contractor, plus a sum equal to 8 percent of the remainder of such amount, but the aggregate of such sums shall not exceed 6 percent of the whole of the amount determined under subdivision (1) above, which amount for the purpose of this subdivision (iii) shall exclude any charges for interest on borrowings: *Provided, however* That if it appears that the Contractor would have sustained a loss on the entire contract had it been completed, no profit shall be included or allowed under this subdivision (iii) and an appropriate adjustment shall be made reducing the amount of the settlement to reflect the indicated rate of loss.

(3) The reasonable costs of settlement, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to this contract.

The total sum to be paid to the Contractor under (1) and (2) of this paragraph (e) shall not exceed the total contract price as reduced by the amount of payments otherwise made and as further reduced by the contract price of work not terminated. Except for normal spoilage, and except to the extent that the Government shall have

otherwise expressly assumed the risk of loss, there shall be excluded from the amounts payable to the Contractor as provided in paragraph (e) (1) and paragraph (e) (2) (i), the fair value, as determined by the Contracting Officer, of property which is destroyed, lost, stolen, or damaged so as to become undeliverable to the Government, or to a buyer pursuant to paragraph (b) (7).

(f) Any determination of costs under paragraph (c) or (e) hereof shall be governed by the Statement of Principles for Consideration of Costs set forth in Subpart D of Part 407 of the Armed Services Procurement Regulation, as in effect on the date of this contract.

(g) The Contractor shall have the right of appeal, under the clause of this contract entitled "Disputes," from any determination made by the Contracting Officer under paragraphs (c) or (e) above, except that if the Contractor has failed to submit its claim within the time provided in paragraph (c) above and has failed to request extension of such time, he shall have no such right of appeal. In any case where the Contracting Officer has made a determination of the amount due under paragraph (c) or (e) above, the Government shall pay to the Contractor the following: (1) If there is no right of appeal hereunder or if no timely appeal has been taken, the amount so determined by the Contracting Officer, or (ii) if an appeal has been taken, the amount finally determined on such appeal.

(h) In arriving at the amount due the Contractor under this clause there shall be deducted (1) all unliquidated advance or other unliquidated payments on account theretofore made to the Contractor, (2) any claim which the Government may have against the Contractor in connection with this contract, and (3) the agreed price for, or the proceeds of sale of, any materials, supplies, or other things acquired by the Contractor or sold, pursuant to the provisions of this clause, and not otherwise recovered by or credited to the Government.

(i) If the termination hereunder be partial, prior to the settlement of the terminated portion of this contract, the Contractor may file with the Contracting Officer a request in writing for an equitable adjustment of the price or prices specified in the contract relating to the continued portion of the contract (the portion not terminated by the Notice of Termination), and such equitable adjustment as may be agreed upon shall be made in such price or prices.

(j) The Government may from time to time, under such terms and conditions as it may prescribe, make partial payments and payments on account against costs incurred by the Contractor in connection with the terminated portion of this contract whenever in the opinion of the Contracting Officer the aggregate of such payments shall be within the amount to which the Contractor will be entitled hereunder. If the total of such payments is in excess of the amount finally agreed or determined to be due under this clause, such excess shall be payable by the Contractor to the Government upon demand, together with interest computed at the rate of 6 percent per annum, for the period from the date such excess payment is received by the Contractor to the date on which such excess is repaid to the Government: *Provided, however* That no interest shall be charged with respect to any such excess payment attributable to a reduction in the Contractor's claim by reason of retention or other disposition of termination inventory until ten days after the date of such retention or disposition.

(k) Unless otherwise provided for in this contract, or by applicable statute, the Contractor, from the effective date of termination and for a period of six years after final settlements under this contract, shall preserve and make available to the Government

at all reasonable times at the office of the Contractor but without direct charge to the Government, all its books, records, documents, and other evidence bearing on the costs and expenses of the Contractor under this contract and relating to the work terminated hereunder, or, to the extent approved by the Contracting Officer, photographs, micro-photographs, or other authentic reproductions thereof.

§ 407.702 Termination clause for cost-type contracts. The following standard clause shall be used in any cost-type contract, as defined in §§ 402.405 and 402.406 of this subchapter, for supplies and experimental, developmental, or research work other than (a) construction, alterations, or repair of buildings, bridges, roads, or other kinds of real property, or (2) experimental, developmental, or research work with educational or non-profit institutions, where no fee is contemplated.

TERMINATION

(a) The performance of work under the contract may be terminated by the Government in accordance with this clause in whole, or from time to time in part, (1) whenever the Contractor shall default in performance of this contract in accordance with its terms (including in the term "default" any such failure by the Contractor to make progress in the prosecution of the work hereunder as endangers such performance), and shall fail to cure such default within a period of ten days (or such longer periods as the Contracting Officer may allow) after receipt from the Contracting Officer of a notice specifying the default, or (2) whenever for any reason the Contracting Officer shall determine that such termination is in the best interests of the Government. Any such termination shall be effected by delivery to the Contractor of a Notice of Termination specifying whether termination is for the default of the Contractor or for the convenience of the Government, the extent to which performance of work under the contract is terminated, and the date upon which such termination becomes effective. If, after notice of termination of this contract for default under (1) above, it is determined that the Contractor's failure to perform or to make progress in performance is due to causes beyond the control and without the fault or negligence of the Contractor pursuant to the provisions of the clause of this contract relating to excusable delays, the Notice of Termination shall be deemed to have been issued under (2) above, and the rights and obligations of the parties hereto shall in such event be governed accordingly.

(b) After receipt of a Notice of Termination and except as otherwise directed by the Contracting Officer, the Contractor shall (1) stop work under the contract on the date and to the extent specified in the Notice of Termination; (2) place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract as is not terminated; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination; (4) assign to the Government, in the manner and to the extent directed by the Contracting Officer, all of the right, title, and interest of the Contractor under the orders or subcontracts so terminated, in which case the Government shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts; (5) with the approval or ratification of the Contracting Officer, to the extent he may require, which approval or ratification shall be final and conclusive for all purposes of this clause, settle all out-

standing liabilities and all claims arising out of such termination of orders and subcontracts, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of this contract; (6) transfer title (to the extent that title has not already been transferred) and, in the manner, to the extent, and at the times directed by the Contracting Officer, deliver to the Government (1) the fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced as a part of, or acquired in respect of the performance of, the work terminated by the Notice of Termination, (2) the completed or partially completed plans, drawings, information, and other property which, if the contract had been completed, would be required to be furnished to the Government, and (3) the jigs, dies, and fixtures, and other special tools and tooling acquired or manufactured for the performance of this contract for the cost of which the Contractor has been or will be reimbursed under this contract; (7) use its best efforts to sell in the manner, at the times, to the extent, and at the price or prices directed or authorized by the Contracting Officer, any property of the types referred to in provision (6) of this paragraph: *Provided, however,* That the Contractor (1) shall not be required to extend credit to any purchaser, and (2) may acquire any such property under the conditions prescribed by and at a price or prices approved by the Contracting Officer: *And provided further,* That the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the Government to the Contractor under this contract or shall otherwise be credited to the price or cost of the work covered by this contract or paid in such other manner as the Contracting Officer may direct; (8) complete performance of such part of the work as shall not have been terminated by the Notice of Termination; and (9) take such action as may be necessary, or as the Contracting Officer may direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor in which the Government has or may acquire an interest. The Contractor shall proceed immediately with the performance of the above obligations notwithstanding any delay in determining or adjusting the amount of the fixed-fee, or any item of reimbursable cost, under this clause. At any time after expiration of the plant clearance period, as defined in Part 407, Armed Services Procurement Regulation, as it may be amended from time to time, the Contractor may submit to the Contracting Officer a list, certified as to quantity and quality, of any or all items of termination inventory not previously disposed of, exclusive of items the disposition of which has been directed or authorized by the Contracting Officer, and may request the Government to remove such items or enter into a storage agreement covering them. Not later than fifteen (15) days thereafter, the Government will accept title to such items and remove them or enter into a storage agreement covering the same, provided that the list submitted shall be subject to verification by the Contracting Officer upon removal of the items, or if the items are stored, within forty-five (45) days from the date of submission of the list, and any necessary adjustment to correct the list as submitted shall be made prior to final settlement.

(c) After receipt of a Notice of Termination the Contractor shall submit to the Contracting Officer its termination claim in the form and with the certification prescribed by the Contracting Officer. Such claim shall be submitted promptly but in no event later than two years from the effective date of termination, unless one or more extensions in writing are granted by the Contracting Officer upon request of the Contractor made

in writing within such two-year period or authorized extension thereof. However, if the Contracting Officer determines that the facts justify such action, he may receive and act upon any such termination claim at any time after such two-year period or any extension thereof. Upon failure of the Contractor to submit its termination claim within the time allowed, the Contracting Officer may determine, on the basis of information available to him, the amount, if any, due to the Contractor by reason of the termination and shall thereupon pay to the Contractor the amount so determined.

(d) Subject to the provisions of paragraph (c), the Contractor and the Contracting Officer may agree upon the whole or any part of the amount or amounts to be paid (including an allowance for the fixed-fee) to the Contractor by reason of the total or partial termination of work pursuant to this clause. The contract shall be amended accordingly, and the Contractor shall be paid the agreed amount.

(e) In the event of the failure of the Contractor and the Contracting Officer to agree in whole or in part, as provided in paragraph (d) above, as to the amounts with respect to costs and fixed-fee, or as to the amount of the fixed-fee, to be paid to the Contractor in connection with the termination of work pursuant to this clause, the Contracting Officer shall determine, on the basis of information available to him, the amount, if any, due to the Contractor by reason of the termination and shall pay to the Contractor the amount determined as follows:

(1) If the settlement includes cost and fixed-fee

(i) There shall be included therein all costs and expenses reimbursable in accordance with this contract, not previously paid to the Contractor for the performance of this contract prior to the effective date of the Notice of Termination, and such of these costs as may continue for a reasonable time thereafter with the approval of or as directed by the Contracting Officer, provided, however, that the Contractor shall proceed as rapidly as practicable to discontinue such costs.

(ii) There shall be included therein so far as not included under (i) above, the cost of settling and paying claims arising out of the termination of work under subcontracts or orders, as provided in paragraph (b) (5) above, which are properly chargeable to the terminated portion of the contract.

(iii) There shall be included therein the reasonable costs of settlement, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of termination inventory: *Provided, however,* That if the termination is for default of the Contractor there shall not be included any amounts for the preparation of the Contractor's settlement proposal.

(iv) There shall be included therein a portion of the fixed-fee payable under the contract determined as follows:

(A) In the event of the termination of this contract for the convenience of the Government and not for the default of the Contractor, there shall be paid a percentage of the fee equivalent to the percentage of the completion of work contemplated by the contract, less fixed-fee payments previously made hereunder.

(B) In the event of the termination of this contract for the default of the Contractor, the total fixed-fee payable shall be such proportionate part of the fee (or, if this contract calls for articles of different types, of such part of the fee as is reasonably allocable to the type of article under consideration) as

the total number of articles delivered to and accepted by the Government bears to the total number of articles of a like kind called for by this contract.

If the amount determined under this paragraph is less than the total payment of fixed-fee theretofore made to the Contractor, the Contractor shall repay to the Government the excess amount.

(2) If the settlement includes only the fixed fee, the amount thereof will be determined in accordance with subparagraph (e) (1) (iv) above.

(f) The Contractor shall have the right of appeal, under the clause of this contract entitled "Disputes," from any determination made by the Contracting Officer under paragraphs (c) or (e) above, except that if the Contractor has failed to submit its claim within the time provided in paragraph (c) above and has failed to request extension of such time, he shall have no such right of appeal. In any case where the Contracting Officer has made a determination of the amount due under paragraph (c) or (e) above, the Government shall pay to the Contractor the following: (i) if there is no right of appeal hereunder or if no timely appeal has been taken, the amount so determined by the Contracting Officer, or (ii) if an appeal has been taken, the amount finally determined on such appeal.

(g) In arriving at the amount due the Contractor under this clause there shall be deducted (1) all unliquidated advance or other unliquidated payments theretofore made to the Contractor, (2) any claim which the Government may have against the Contractor in connection with this contract, and (3) the agreed price for, or the proceeds of sale of, any materials, supplies, or other things acquired by the Contractor or sold pursuant to the provisions of this clause and not otherwise recovered by or credited to the Government.

(h) In the event of a partial termination, the portion of the fixed-fee which is payable with respect to the work under the continued portion of the contract shall be equitably adjusted by agreement between the Contractor and the Contracting Officer, and such adjustment shall be evidenced by an amendment to this contract.

(i) The Government may from time to time, under such terms and conditions as it may prescribe, make partial payments and payments on account against costs incurred by the Contractor in connection with the terminated portion of the contract whenever in the opinion of the Contracting Officer the aggregate of such payments shall be within the amount to which the Contractor will be entitled hereunder. If the total of such payments is in excess of the amount finally determined to be due under this clause, such excess shall be payable by the Contractor to the Government upon demand, together with interest computed at the rate of 6 percent per annum, for the period from the date such excess payment is received by the Contractor to the date on which such excess is repaid to the Government: *Provided, however* That no interest shall be charged with respect to any such excess payment attributable to a reduction in the Contractor's claim by reason of retention or other disposition of termination inventory until ten days after the date of such retention or disposition.

(j) The provisions of this clause relating to the fixed-fee shall be inapplicable if this contract does not provide for payment of a fixed-fee.

(k) Unless otherwise provided for in this contract, or by applicable statute, the Contractor from the effective date of termination and for a period of six years after final settlement under this contract, shall preserve and make available to the Government at all reasonable times at the office of the Contractor, but without direct charge to the Government, all its books, records, docu-

ments, and other evidence bearing on the cost and expenses of the Contractor under this contract and relating to the work terminated hereunder, or, to the extent approved by the Contracting Officer, photographs, micro-photographs, or other authentic reproductions thereof.

§ 407.703 Termination clause for fixed-price construction contracts. The following standard clause shall be inserted in all fixed-price construction contracts amounting to more than \$1,000, except that Contracting Officers may, at their discretion, omit the termination clause from fixed-price construction contracts under \$5,000 when the probability of termination for convenience is remote, as in contracts for repair, improvements, or additions to existing structures:

TERMINATION FOR CONVENIENCE OF THE GOVERNMENT

(a) The performance of work under this contract may be terminated by the Government in accordance with this clause in whole, or from time to time in part, whenever the Contracting Officer shall determine that such termination is in the best interest of the Government. Any such termination shall be effected by delivery to the Contractor of a Notice of Termination specifying the extent to which performance of work under the contract is terminated, and the date upon which such termination becomes effective.

(b) After receipt of a Notice of Termination, and except as otherwise directed by the Contracting Officer, the Contractor shall (1) stop work under the contract on the date and to the extent specified in the Notice of Termination; (2) place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract as is not terminated; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination; (4) assign to the Government, in the manner, at the times, and to the extent directed by the Contracting Officer, all of the right, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the Government shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts; (5) settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Contracting Officer to the extent he may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title and deliver to the Government, in the manner, at the times, and to the extent, if any, directed by the Contracting Officer; (i) the fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced as a part of, or acquired in connection with the performance of, the work terminated by the Notice of Termination, and (ii) the completed or partially completed plans, drawings, information, and other property which, if the contract had been completed, would have been required to be furnished to the Government; (7) use its best efforts to sell, in the manner, at the times, to the extent, and at the price or prices directed or authorized by the Contracting Officer, any property of the types referred to in provision (6) of this paragraph: *Provided, however*, That the Contractor, (i) shall not be required to extend credit to any purchaser, and (ii) may acquire any such property under the conditions prescribed and at a price or prices approved by the Contracting Officer: *And provided further* That the proceeds of any such transfer or disposition shall be applied in reduction

of any payments to be made by the Government to the Contractor under this contract or shall otherwise be credited to the price or cost of the work covered by this contract or paid in such other manner as the Contracting Officer may direct; (8) complete performance of such part of the work as shall not have been terminated by the Notice of Termination; and (9) take such action as may be necessary, or as the Contracting Officer may direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor and in which the Government has or may acquire an interest. At any time after expiration of the plant clearance period, as defined in Part 407, Armed Services Procurement Regulation, as it may be amended from time to time, the Contractor may submit to the Contracting Officer a list, certified as to quantity and quality, of any or all items of termination inventory not previously disposed of, exclusive of items the disposition of which has been directed or authorized by the Contracting Officer, and may request the Government to remove such items or enter into a storage agreement covering them: Not later than fifteen (15) days thereafter, the Government will accept title to such items and remove them or enter into a storage agreement covering the same, provided that the list submitted shall be subject to verification by the Contracting Officer upon removal of the items, or if the items are stored, within forty-five (45) days from the date of submission of the list, and any necessary adjustment to correct the list as submitted shall be made prior to final settlement.

(c) After receipt of a Notice of Termination, the Contractor shall submit to the Contracting Officer its termination claim, in the form and with the certification prescribed by the Contracting Officer. Such claim shall be submitted promptly but in no event later than two years from the effective date of termination, unless one or more extensions in writing are granted by the Contracting Officer upon request of the Contractor made in writing within such two-year period or authorized extension thereof. However, if the Contracting Officer determines that the facts justify such action, he may receive and act upon any such termination claim at any time after such two-year period or extension thereof. Upon failure of the Contractor to submit its termination claim within the time allowed, the Contracting Officer may determine, on the basis of information available to him, the amount, if any, due to the Contractor by reason of the termination and shall thereupon pay to the Contractor the amount so determined.

(d) Subject to the provisions of paragraph (c), the Contractor and the Contracting Officer may agree upon the whole or any part of the amount or amounts to be paid to the Contractor by reason of the total or partial termination of work pursuant to this clause, which amount or amounts may include a reasonable allowance for profit. The contract shall be amended accordingly, and the Contractor shall be paid the agreed amount. Nothing in paragraph (c) of this clause, prescribing the amount to be paid to the Contractor in the event of failure of the Contractor and the Contracting Officer to agree upon the whole amount to be paid to the Contractor by reason of the termination of work pursuant to this clause, shall be deemed to limit, restrict, or otherwise determine or affect the amount or amounts which may be agreed upon to be paid to the Contractor pursuant to this paragraph (d).

§ 407.704 Termination clause for research and development contracts with educational and other nonprofit institutions. The following standard clause shall be used in any research or development contract (whether fixed-price or

cost-type) with an educational or non-profit institution, provided such contract incorporates, or was negotiated on the basis of, the cost principles set forth in Subpart C, Part 414, of this subchapter, and provided further such contract is placed on a no-fee or no-profit basis.

TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT

(a) The performance of work under this contract may be terminated, in whole or from time to time in part, by the Government whenever for any reason the Contracting Officer shall determine that such termination is in the best interests of the Government. Termination of work hereunder shall be effected by delivery to the Contractor of a Notice of Termination specifying the extent to which performance of work under the contract is terminated and the date upon which such termination becomes effective.

(b) After receipt of the Notice of Termination the Contractor shall cancel its outstanding commitments hereunder covering the procurement of materials, supplies, equipment and miscellaneous items. In addition the Contractor shall exercise all reasonable diligence to accomplish the cancellation or diversion of its outstanding commitments covering personal services and extending beyond the date of such termination to the extent that they relate to the performance of any work terminated by the notice. With respect to such canceled commitments the Contractor agrees to (i) settle all outstanding liabilities and all claims arising out of such cancellation of commitments, with the approval or ratification of the Contracting Officer, to the extent he may require, which approval or ratification shall be final for all purposes of this clause, and (ii) assign to the Government, in the manner, at the time, and to the extent directed by the Contracting Officer, all of the right, title and interest of the Contractor under the Orders and Subcontracts so terminated, in which case the Government shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.

(c) The Contractor shall submit its termination claim to the Contracting Officer promptly after receipt of a Notice of Termination, but in no event later than two years from the effective date thereof, unless one or more extensions in writing are granted by the Contracting Officer upon written request of the Contractor within such two year period or authorized extension thereof. Upon failure of the Contractor to submit its termination claim within the time allowed, the Contracting Officer may determine, on the basis of information available to him, the amount, if any, due to the Contractor by reason of the Termination and shall thereupon pay to the Contractor the amount so determined.

(d) Any determination of costs under paragraph (c) shall be governed by the cost principles set forth in § 407.406 of Part 407 of the Armed Services Procurement Regulation, as in effect on the date of this contract.

(e) Subject to the provisions of paragraph (c) above, the Contractor and the Contracting Officer may agree upon the whole or any part of the amount or amounts to be paid to the Contractor by reason of the termination under this clause, which amount or amounts may include any reasonable cancellation charges thereby incurred by the Contractor and any reasonable loss upon outstanding commitments for personal services which it is unable to cancel: *Provided, however*, That in connection with any outstanding commitments for personal services which the Contractor is unable to cancel, the Contractor shall have exercised reasonable

diligence to divert such commitments to its other activities and operations. Any such agreement shall be embodied in an amendment to this contract and the Contractor shall be paid the agreed amount.

(f) The Government may from time to time, under such terms and conditions as it may prescribe, make partial payments against costs incurred by the Contractor in connection with the terminated portion of this contract whenever, in the opinion of the Contracting Officer, the aggregate of such payments is within the amount to which the Contractor will be entitled hereunder. If the total of such payments is in excess of the amount finally agreed or determined to be due under this clause, such excess shall be payable by the Contractor to the Government upon demand, provided that if such excess is not so paid upon demand, interest thereon shall be payable by the Contractor to the Government at the rate of 6 percent per annum, beginning 30 days from the date of such demand.

(g) The Contractor agrees to transfer title and deliver to the Government, in the manner, at the time and to the extent, if any, directed by the Contracting Officer, such information and items which, if the contract had been completed, would have been required to be furnished to the Government, including (i) completed or partially completed plans, drawings and information, and (ii) materials or equipment produced or in process or acquired in connection with the performance of the work terminated by the notice. Other than the above any termination inventory resulting from the termination of the contract may, with the written approval of the Contracting Officer, be sold or acquired by the Contractor under the conditions prescribed by and at a price or prices approved by the Contracting Officer. The proceeds of any such disposition shall be applied in reduction of any payments to be made by the Government to the Contractor under this contract or shall otherwise be credited to the price or cost of work covered by this contract or paid in such other manner as the Contracting Officer may direct. Pending final disposition of property arising from the termination, the Contractor agrees to take such action as may be necessary, or as the Contracting Officer may direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor and in which the Government has or may acquire an interest.

(h) Any disputes as to questions of fact which may arise hereunder shall be subject to the "Disputes" clause of this contract.

(R. S. 161; 5 U. S. C. 22. Interpret or apply 62 Stat. 21; 41 U. S. C. 151-161)

JOHN C. HOUSTON, Jr.,
Special Assistant to the Assistant
Secretary of Defense,
Supply and Logistics.

[F. R. Doc. 53-6526; Filed, Oct. 7, 1953;
8:45 a. m.]

Chapter VII—Department of the Air Force

Subchapter J—Procurement Procedures PART 1002—PROCUREMENT BY NEGOTIATION

MISCELLANEOUS AMENDMENTS

1. Section 1002.105 is added to Subpart A as follows:

§ 1002.105 *Synopses of proposed procurements and awards.* (a) Synopses of proposed negotiated procurements will be prepared by purchasing offices located in the continental United States

in accordance with § 1000.314 of this subchapter.

(b) Synopses of negotiated contract awards will be prepared and distributed in accordance with § 1000.315 of this subchapter.

2. Section 1002.202 is changed to read as follows:

§ 1002.202 *Purchases not in excess of \$1,000.* (a) The authorization contained in section 2 (c) (3) Pub. Law 413, 80th Cong. (62 Stat. 21; 41 U. S. C. 151) to negotiate contracts without formal advertising if the aggregate amount involved does not exceed \$1,000, does not modify the fundamental principle that supplies and nonpersonal services will be obtained as the result of competition. In general, at least two informal quotations of prices will be requested from regular dealers in, or manufacturers of, the articles required. Where circumstances permit, quotations will be solicited from all such qualified sources as are considered necessary by the contracting officer to insure full and free competition consistent with the procurement. The authorization contained in § 402.203 of this title will be used in the case of purchases aggregating \$1,000 or less rather than any of the other authorizations set forth in Subpart B, Part 402 of this title. For example: A purchase of perishable subsistence supplies aggregating \$1,000 or less will be made under section 2 (c) (3) of the act rather than section 2 (c) (9). As to records of negotiated purchases, see § 1002.103 (b).

(b) During the period of the National Emergency, section 2 (c) (1) Pub. Law 413, 80th Cong. (62 Stat. 21; 41 U. S. C. 151) will be cited as authority to negotiate rather than 2 (c) (3) of the act.

3. In § 1002.203, paragraph (b) (2) is changed as follows:

§ 1002.203 *Personal or professional services.* * * *

(b) *Specific authorization; statutory authorities.* * * *

(2) Department of Defense Appropriation Act, 1954 (Pub. Law 179, 83d Cong.) approved August 1, 1953; (67 Stat. 349)

SEC. 691. During the current fiscal year, the Secretary of Defense and the Secretaries of the Air Force, Army and Navy, respectively, if they should deem it advantageous to the National defense, and if, in their opinions, the existing facilities of the Department of Defense are inadequate, are authorized to procure services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 53), but at rates for individuals not in excess of \$59 per day, and to pay in connection therewith travel expenses of individuals, including actual transportation and per diem in lieu of subsistence while traveling from their homes or places of business to official duty station and return as may be authorized by law: *Provided*, that such contracts may be renewed annually.

4. The last sentence of § 1002.205 is changed as follows:

§ 1002.205 *Supplies or services for which it is impracticable to secure competition by formal advertising.* All such contracts and supplements found to be

satisfactory as to rate schedules and technical sufficiency will be returned to the appropriate office for review as to legal sufficiency, procurement clearance, and final approval.

5. Section 1002.208 is changed to read as follows:

§ 1002.208 *Otherwise authorized by law*—(a) *Application*. Except as indicated in paragraph (b) of this section, contracts will be negotiated under authorities other than those set forth in §§ 402.201 to 402.216 of this title, only upon the approval of the Secretary. Requests for approval will contain a statement of pertinent facts and reasons therefor, and will be submitted through the head of the procuring activity concerned to the Director of Procurement and Production Engineering, Headquarters USAF.

(b) *Transportation services*. Transportation services under authority of section 321, part III, Interstate Commerce Act, September 18, 1940 (49 U. S. C. 65)

CROSS REFERENCE: For section of Armed Services Procurement Regulation which this section implements, see § 402.217 of this title.

6. Section 1002.404 is changed to read as follows:

§ 1002.404 *Letter contracts or letters of intent*. Letter contracts and letters of intent will be used only when one of the conditions set forth in § 402.408 of this title exists, and subject to such approval as is required by the Commanding General, Air Materiel Command.

7. Paragraph (b) of § 1002.501 is changed as follows:

§ 1002.501 *Financing of Government contracts for supplies and services*. * * *

(b) *Exceptions*. Exceptions to the policy contained in paragraph (a) of this section may be made in such instances in negotiated procurements where the contractor is particularly adapted in the supplying of the items or services to be procured but whose capital is limited and where commercial or private financing is unobtainable. In such cases, consideration will be given to the use of Government financing by way of advance payments under such terms and conditions as the Assistant Secretary of the Air Force (Management) may prescribe.

8. The introductory text of § 1002.502 and paragraph (a) thereof are changed as follows:

§ 1002.502 *Authority to make advance payments*. Requests for authority to make advance payments (original and six copies) in each instance will be submitted through the head of the procuring activity concerned to the Director of Procurement and Production Engineering, Headquarters USAF who will obtain the coordination of the Director of Finance and forward to the Assistant Secretary for approval or disapproval. Requests for approval of advance payments may be presented before or after awarding of contract. The requests will contain or be accompanied by:

(a) Form of determinations and findings prepared for the signature of the Assistant Secretary of the Air Force (Management)

(AFM 70-6, as amended) (R. S. 161, sec. 202, 61 Stat. 500, as amended; 5 U. S. C. 22, 171a. Interpret or apply 62 Stat. 21; 41 U. S. C. 151-161)

[SEAL]

K. E. THIEBAUD,
Colonel, U. S. Air Force,
Air Adjutant General.

[F. R. Doc. 53-8607; Filed, Oct. 8, 1953; 8:45 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter VI—Business and Defense Services Administration, Department of Commerce

[BDSA Order M-1A (Formerly NPA Order M-1A), Amdt. 3 of October 7, 1953]

M-1A—IRON AND STEEL

DELETION OF SECTIONS 14 AND 15

This amendment is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this amendment, consultation with industry representatives has been rendered impracticable due to the need for immediate action.

BDSA Order M-1A (formerly NPA Order M-1A) dated May 14, 1953, and as amended by Amendment 1 of June 26, 1953, and Amendment 2 of July 31, 1953, is hereby amended as follows:

Items 14 and 15 of the table of contents and sections 14 and 15 of the order are deleted.

(64 Stat. 816, Pub. Law 95, 83d Cong., 50 U. S. C. App. Sup. 2154)

This amendment is effective November 1, 1953.

Issued October 7, 1953.

BUSINESS AND DEFENSE SERVICES
ADMINISTRATION,
H. B. McCox,
Acting Administrator

[F. R. Doc. 53-8640; Filed, Oct. 7, 1953; 1:08 p. m.]

[BDSA Order M-80 (Formerly NPA Order M-80) and Schedules 1, 5, A, and C; Revocation]

M-80—IRON AND STEEL—ALLOYING MATERIALS AND ALLOY PRODUCTS REVOCATION

BDSA Order M-80 (formerly NPA Order M-80) as amended June 15, 1953 (18 F. R. 3441) and as further amended by Amendment 1 of June 30, 1953 (18 F. R. 3754) and Schedule 1 (18 F. R. 3754) Schedule 5 (18 F. R. 3756) Schedule A (18 F. R. 2441, 18 F. R. 3416) and Schedule C (17 F. R. 6766) to said order, are hereby revoked.

This revocation does not relieve any person of any obligation or liability incurred under BDSA Order M-80 (for-

merly NPA Order M-80) and said schedules thereto as originally issued or as thereafter amended, nor deprive any person of any rights received or accrued under said order and schedules prior to the effective date of this revocation.

The provisions of Schedule 5 to BDSA Order M-80 (formerly NPA Order M-80), dealing with columbium and tantalum, are incorporated in BDSA Order M-106, effective November 1, 1953.

(64 Stat. 816, Pub. Law 95, 83d Cong., 50 U. S. C. App. Sup. 2154)

This revocation is effective November 1, 1953.

Issued October 7, 1953.

BUSINESS AND DEFENSE SERVICES
ADMINISTRATION,
H. B. McCox,
Acting Administrator

[F. R. Doc. 53-8641; Filed, Oct. 7, 1953; 1:08 p. m.]

[BDSA Order M-106 of Oct. 7, 1953]

M-106—COLUMBIUM AND TANTALUM AND COLUMBIUM- AND COLUMBIUM-TANTALUM-BEARING STEELS

This order is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950, as amended. In the formulation of this order, consultation with industry representatives has been rendered impracticable due to the need for immediate action.

Sec.

1. What this order does.
2. Definition.
3. Use of substitutes.
4. Authorized controlled material orders required.
5. Restrictions.
6. Exceptions.
7. Certification required.
8. Conservation of scrap.
9. Exports.
10. Request for adjustment or exception.
11. Records and reports.
12. Communications.
13. False statements.
14. Violations.

AUTHORITY: Sections 1 to 14 issued under sec. 704, 64 Stat. 816, Pub. Law 95, 83d Cong.; 50 U. S. C. App. Sup. 2154. Interpret or apply sec. 101, 64 Stat. 799, Pub. Law 95, 83d Cong., 50 U. S. C. App. Sup. 2071; E. O. 10480, Aug. 14, 1953, 18 F. R. 4030.

SECTION 1. *What this order does*. This order continues in effect the provisions of Schedule 5 to BDSA Order M-80 (formerly NPA Order M-80) which is revoked effective November 1, 1953. It provides for the conservation of columbium and tantalum, and of columbium- and columbium-tantalum-bearing steels. It also provides that such steels shall be produced, sold, delivered, or purchased only pursuant to authorized controlled material orders placed by the Department of Defense, the Atomic Energy Commission, or manufacturers of Class A or Class B products required in Department of Defense or Atomic Energy Commission programs.

Sec. 2. *Definition*. As used in this order, "columbium and tantalum" means

ferro-columbium and ferro-columbium tantalum.

Sec. 3. Use of substitutes. No columbium- or columbium-tantalum-bearing steel shall be used or incorporated in any product or material where a non-columbium- or non-columbium-tantalum-bearing steel will meet the requirements for the use to be made of the product or material. No columbium-bearing steel shall be used or incorporated in any product or material if columbium-tantalum-bearing steel will meet the requirements for the use to be made of the product or material.

Sec. 4. Authorized controlled material orders required. (a) Except as may be otherwise directed by BDSA, columbium- or columbium-tantalum-bearing steels shall be produced, sold, delivered, or purchased only pursuant to authorized controlled material orders placed by the Department of Defense, the Atomic Energy Commission, or manufacturers of Class A and/or Class B products which are to be made, in whole or in part, of columbium- or columbium-tantalum-bearing steels, and required by Department of Defense or Atomic Energy Commission programs.

(b) Authorized controlled material orders for columbium- or columbium-tantalum-bearing steels in support of the aircraft program of the Department of Defense shall be valid for deliveries only when supported by a certification that delivery of the quantity specified as and when ordered has been approved and authorized by the Aircraft Production Resources Agency. Such certification shall be as follows:

Certified as approved by APRA

Such certification shall constitute a representation by the purchaser to the supplier and to BDSA that the purchaser has been duly authorized by the Aircraft Production Resources Agency to accept delivery of such steel, and is entitled to accept such delivery as permitted in this order. The certification required by this section shall be in addition to the certification required by DMS Regulation No. 1. This limitation shall not apply to those items of finished steel mill products which cannot be converted into other steel mill products and which were physically held in inventory prior to September 30, 1951.

Sec. 5. Restrictions. Subject to the exceptions of section 6 of this order, no person, in the production of any columbium- or columbium-tantalum-bearing steels, shall use more columbium or columbium-tantalum than is reasonably required to assure a ratio between columbium- or columbium-tantalum and carbon in such steels greater than 8 to 1 as a minimum: *Provided, however* That in cases where the material specifications require corrosion testing of sensitized specimens, no person shall use more columbium or columbium-tantalum in such steel products than is reasonably required to assure that such steels meet the specific requirements with respect to corrosion testing: *And provided further*, That when practical melting schedules appropriate to achieve

maximum production necessitate the inclusion in single heat lots of steels requiring corrosion testing with steels not requiring such testing, such amount of columbium or columbium-tantalum may be used as will assure steels which will meet the highest corrosion testing requirements of any such steels included in any such single heat lot.

Sec. 6. Exceptions. (a) This order shall not prohibit the completion of the production and the delivery of materials or products containing columbium or tantalum in any form ordered and accepted prior to April 6, 1951, which, by reason of the condition or nature of the materials or products, cannot, without excessive loss of yield, be used in connection with authorized controlled material orders; nor shall it prohibit the use, in filling authorized controlled material orders, of columbium- or columbium-tantalum-bearing steel held on or before April 6, 1951, in the inventory of a producer or fabricator of steel products.

(b) The restrictions of sections 3, 4, and 5 of this order shall not apply to the production and use of (1) welding rods for welding extra low carbon (0.03 maximum) austenitic stainless steels, or austenitic stainless steels stabilized with columbium, tantalum, titanium, or non-ferrous nickel-base alloys, or (2) columbium-bearing steels in the power-generating and chemical-process industries which operate continuously in the temperature range of 800-1,600 degrees Fahrenheit where other stabilized compositions are not suitable.

(c) Any authorized controlled material order for columbium- or columbium-tantalum-bearing steels, authorized by the Aircraft Production Resources Agency pursuant to section 4 of this order, is exempt from the restrictions of section 5 of this order to the extent required by the specifications contained in such APRA authorization.

(d) The restrictions of sections 4 and 5 of this order shall not apply to the sale and the use of Type 347 stainless steel in the finished forms of structural shapes, plate, sheet, tube, strip, wire, or bar, if the particular item of such Type 347 steel to be sold or used, has, on the date of the sale or use, been in the inventory of a steel producer or a steel distributor for a period of 6 months or more.

Sec. 7. Certification required. Any person who orders, or who has ordered but not received delivery of, any (a) columbium and tantalum, (b) columbium- and tantalum-bearing scrap, (c) pure metal columbium and tantalum when used as a source of columbium and tantalum in melting or processing, and (d) columbium- and tantalum-bearing ores and concentrates when used as a source of columbium and tantalum in melting or processing, shall endorse on his purchase order, or deliver with such purchase order or otherwise furnish to his supplier, the following certification which shall be signed as provided in BDSA Reg. 2 (formerly NPA Reg. 2)

Certified under BDSA Order M-106

This certification constitutes a representation by the purchaser to the supplier that the columbium and tantalum or-

dered will not be used by the purchaser in violation of any provision of BDSA Order M-106.

Sec. 8. Conservation of scrap. No person shall dispose of or accept any scrap containing commercially recoverable columbium and tantalum which is fit for remelting, except for use in the melting or processing of products in which columbium and tantalum is required.

Sec. 9. Exports. Columbium and tantalum exported from the United States, its territories or possessions, pursuant to a validated export license issued by the Office of International Trade, Department of Commerce, are exempt from all provisions of this order, except for the provisions of this order requiring the keeping of records and the making of reports.

Sec. 10. Request for adjustment or exception. Any person subject to any provision of this order may file a request for adjustment or exception upon the ground that such provision works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry, or that its enforcement against him would not be in the interest of the national defense or in the public interest. The filing of a request for adjustment or exception shall not relieve any person of his obligation to comply with any such provision. In examining requests for adjustment or exception claiming that the public interest is prejudiced by the application of any provision of this order, consideration will be given to the requirements of the public health and safety, civilian defense, and dislocation of labor and resulting unemployment that would impair the defense program. Each request shall be in writing, by letter in triplicate, and shall set forth all pertinent facts, the nature of the relief sought, and the justification therefor.

Sec. 11. Records and reports. (a) Each person participating in any transaction covered by this order shall make and preserve, for at least 3 years thereafter, accurate and complete records of receipts, deliveries, inventories, production, and use, in sufficient detail to permit the determination, after audit, whether each transaction complies with the provisions of this order. This order does not specify any particular accounting method and does not require alteration of the system of records customarily used, provided such records supply an adequate basis for audit. Records may be retained in the form of microfilm or other photographic copies instead of the originals by those persons who, at the time such microfilm or other photographic records are made, maintain such copies of records in the regular and usual course of business.

(b) All records required by this order shall be made available for inspection and audit by duly authorized representatives of the Business and Defense Services Administration, at the usual place of business where maintained.

(c) Persons subject to this order shall make such records and submit such additional reports to BDSA as it shall require,

subject to the terms of the Federal Reports Act of 1942 (5 U. S. C. 139-139 F)

SEC. 12. Communications. All communications concerning this order shall be addressed to the Business and Defense Services Administration, Washington 25, D. C., Ref: BDSA Order M-106.

SEC. 13. False statements. The furnishing of false information or the concealment of any material fact by any person in the course of operation under this order constitutes a violation of this order by such person.

SEC. 14. Violations. Violation of any provision of this order may subject any person committing or participating in such violation to administrative action to suspend his privilege of making or receiving further deliveries of materials, or using materials or facilities, under priority or allocation control and to deprive him of further priority and allocation assistance. In addition to such administrative action an injunction and order may be obtained prohibiting any such violation and enforcing compliance with the provisions of this order. Any person who wilfully violates any provision of this order, or who wilfully furnishes false information or conceals any material fact in the course of operation under this order, is guilty of a crime and upon conviction may be punished by fine or imprisonment or both.

NOTE: All reporting and record-keeping requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This order shall take effect November 1, 1953.

Issued October 7, 1953.

BUSINESS AND DEFENSE SERVICES
ADMINISTRATION,

H. B. McCoy,
Acting Administrator

[F. R. Doc. 53-8642; Filed, Oct. 7, 1953;
1:08 p. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

Subchapter D—Domestic Mail Matter

PART 37—FREE MATTER IN THE MAILS

REIMBURSEMENT OF DEPARTMENT FOR TRANSMISSION OF OFFICIAL GOVERNMENT-MAIL MATTER AND FRANKED MAIL OF MEMBERS OF CONGRESS

In Part 37, Free Matter in the Mails, insert a centerhead and new § 37.8a between §§ 37.8 and 37.9, to read as follows:

REIMBURSEMENT OF POST OFFICE DEPARTMENT

§ 37.8a *Reimbursement of Post Office Department for the transmission of official Government-mail matter and franked mail of Members of Congress—*

(a) *Official Government-mail matter* Based on such accountings (see § 6.12 (b) of this chapter for language of law preceding this sentence) there shall be transferred to the Post Office Department as postal revenue, out of any appropriations or funds available to the

departments, agencies, and establishments concerned, the equivalent amount of postage due therefor, as determined pursuant to regulations prescribed by the Postmaster General. (Sec. 301, 62 Stat. 1048, Sec. 1, 67 Stat. 614; 39 U. S. C. 321i.)

(b) *Regulations.* (1) When penalty envelopes are ordered under contracts made by the Postmaster General, as provided by § 6.12 of this chapter, and when labels, wrappers, cards, or other articles bearing the penalty indicia are ordered from or through the Government Printing Office; a report of the number of pieces of each such item or article so ordered shall be submitted to the Controller of the Post Office Department at such intervals and in such detail as he may direct and as may be necessary to enable the Postmaster General to transmit this information annually to the Congress and the Bureau of the Budget, as required by section 302 of title III of the act of June 25, 1948 (62 Stat. 1048; 39 U. S. C. 321j)

(2) In all cases where envelopes, labels, wrappers, cards, or other articles bearing penalty indicia, including those mailed without cover, are prepared, produced, or procured other than as set forth in the preceding paragraph, the number of pieces so prepared, produced, or procured shall be reported to the Controller of the Post Office Department at such intervals and in such manner and detail as he may direct.

(3) Penalty mail shall not be accepted which bears the penalty indicia placed thereon by hand stamp, in handwriting, or by typewriter.

(4) Within 60 days following the close of each fiscal year a report shall be submitted to the Controller of the Post Office Department in such form and detail as he may direct, showing the quantity of penalty matter on hand at the close of the year and the quantity mailed during the preceding fiscal year and the equivalent amount of postage due therefor.

(5) Within 30 days following the close of each of the first three quarters, a report shall be submitted to the Controller of the Post Office Department showing the estimated (or actual) quantity of penalty matter mailed during the preceding quarter and the equivalent amount of postage due therefor.

(6) The estimated (or actual) amount of postage for deposit into postal revenues shall be forwarded or delivered to the Bureau of the Controller within 30 days following the close of each quarter in the form of a check, or warrant, payable to "Treasurer of the United States—Service of the Post Office Department, Symbol 47001." Final payment of the amount of postage due for each fiscal year shall be made upon submission of the annual report, and all interim (quarterly) payments shall be deducted from the total amount determined to be due for such fiscal year.

(7) The Controller of the Post Office Department and other officials of the Post Office Department shall collaborate with departments and agencies of the Government in working out suitable methods, procedures, and forms as may be necessary to carry out the provisions

of title III of the act of June 25, 1948 (62 Stat. 1048) as amended.

(8) Department and agencies of the Government having mailings weighing over 4 pounds which are subject to postage under section 304 of title III of the act of June 25, 1948 (62 Stat. 1048; 39 U. S. C. 321 1) may, upon approval of the Assistant Postmaster General, Bureau of Post Office Operations, arrange for the payment of such postage periodically on the basis of bills to be rendered therefor.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25, sec. 301, title III, 62 Stat. 1048, sec. 1, 67 Stat. 614; 5 U. S. C. 22, 369, 39 U. S. C. 321i)

[SEAL]

ROSS RIZLEY,
Solicitor

[F. R. Doc. 53-8610; Filed, Oct. 8, 1953;
8:45 a. m.]

Subchapter M—Personnel

PART 135—GENERAL

SECURITY REGULATIONS

Part 135, General (39 CFR Part 135), is amended by the addition of the following new §§ 135.51 to 135.59 inclusive:

SECURITY REGULATIONS

- | | |
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| Sec. | |
| 135.51 | Definitions. |
| 135.52 | Policy. |
| 135.53 | Security standards. |
| 135.54 | Security investigations. |
| 135.55 | Suspension and termination. |
| 135.56 | Readjudication of certain cases. |
| 135.57 | Reemployment of employees whose employment has been terminated. |
| 135.58 | Security hearing boards. |
| 135.59 | Hearing procedure. |

AUTHORITY: §§ 135.51 to 135.59 issued under R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25, secs. 1, 2, 3, 64 Stat. 476; 5 U. S. C. 22, 22-1, 22-2, 22-3, 369; E. O. 10450, 18 F. R. 2489.

§ 135.51 *Definitions.* (a) As used in §§ 135.51 to 135.59, the term "national security" relates to the protection and preservation of the military, economic, and productive strength of the United States, including the security of the Government in domestic and foreign affairs, against or from espionage, sabotage, and subversion, and any and all other illegal acts designed to weaken or destroy the United States.

(b) As used in §§ 135.51 to 135.59 the term "sensitive position" shall mean any position in the Postal Establishment the occupant of which could bring about because of the nature of the position, a material adverse effect on the national security. Such positions shall include, but shall not be limited to, any position the occupant of which (1) may have access to security information or material classified as "confidential," "secret," or "top secret," or any other information or material having a direct bearing on the national security, and (2) may have opportunity to commit acts directly or indirectly adversely affecting the national security.

§ 135.52 *Policy.* (a) It shall be the policy of the Postal Establishment, based on the said act of August 26, 1950, and the said Executive Order No. 10450, to employ and to retain in employment

only those whose employment or retention in employment is found to be clearly consistent with the interests of the national security.

(b) The use of procedures pertaining to the suspension and removal of employees as authorized by said act of August 26, 1950, will be limited to cases in which the interests of national security are involved. These procedures are supplementary only and are not to be substituted for the usual civil-service removal procedures. Normal civil-service procedures will be used to the maximum extent where national security is not involved and when said procedures are adequate and appropriate.

§ 135.53 *Security standards.* (a) No person shall be employed, or retained as an employee, in the Postal Establishment unless the employment of such person is clearly consistent with the interests of the national security.

(b) Information regarding an applicant for employment, or an employee, in the Postal Establishment which may preclude a finding that his employment or retention in employment is clearly consistent with the interests of the national security shall relate, but shall not be limited, to the following:

(1) Depending on the relation of the Government employment to the national security—

(i) Any behavior, activities, or associations which tend to show that the individual is not reliable or trustworthy.

(ii) Any deliberate misrepresentations, falsifications, or omissions of material facts.

(iii) Any criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct, habitual use of intoxicants to excess, drug addition, or sexual perversion.

(iv) An adjudication of insanity, or treatment for serious mental or neurological disorder without satisfactory evidence of cure.

(v) Any facts which furnish reason to believe that the individual may be subjected to coercion, influence, or pressure which may cause him to act contrary to the best interests of the national security.

(2) Commission of any act of sabotage, espionage, treason, or sedition, or attempts thereat or preparation therefor, or conspiring with, or aiding or abetting, another to commit or attempt to commit any act of sabotage, espionage, treason, or sedition.

(3) Establishing or continuing a sympathetic association with a saboteur, spy, traitor, seditionist, anarchist, or revolutionist, or with an espionage or other secret agent or representative of a foreign nation, or any representative of a foreign nation whose interests may be inimical to the interests of the United States, or with any person who advocates the use of force or violence to overthrow the Government of the United States or the alteration of the form of government of the United States by unconstitutional means.

(4) Advocacy of use of force or violence to overthrow the Government of the United States, or of the alteration

of the form of government of the United States by unconstitutional means.

(5) Membership in, or affiliation or sympathetic association with, any foreign or domestic organization, association, movement, group, or combination of persons which is totalitarian, Fascist, Communist, or subversive, or which has adopted, or shows, a policy of advocating or approving the commission of acts of force or violence to deny other persons their rights under the Constitution of the United States, or which seeks to alter the form of government of the United States by unconstitutional means.

(6) Intentional, unauthorized disclosure to any person of security information, or of other information disclosure of which is prohibited by law, or willful violation or disregard of security regulations.

(7) Performing or attempting to perform his duties, or otherwise acting, so as to serve the interests of another government in preference to the interests of the United States.

§ 135.54 *Security investigations.* (a) Security investigations conducted pursuant to the regulations in §§ 135.51 to 135.59 shall be designed to develop information as to whether employment or retention in employment by the Postal Establishment of the person being investigated is clearly consistent with the interests of the national security.

(b) Every appointment made within the Postal Establishment shall be made subject to investigation. The scope of the investigation shall be determined in the first instance according to the degree of adverse effect the occupant of the position sought to be filled could bring about, by virtue of the nature of the position, on the national security, but in no event shall the investigation include less than a national agency check, including a check of the fingerprint files of the Federal Bureau of Investigation and written inquiries to appropriate local law-enforcement agencies, former employers and supervisors, references, and schools and colleges attended by the person under investigation: *Provided*, That to the extent authorized by the Civil Service Commission a less investigation may suffice with respect to per diem, intermittent, temporary, or seasonal employees, or aliens employed outside the United States. Should information develop at any stage of investigation indicating that the employment of any such person may not be clearly consistent with the interests of the national security, there shall be conducted with respect to such person a full field investigation, or such less investigation as shall be sufficient to enable the Postmaster General to determine whether retention of such person is clearly consistent with the interests of the national security.

(c) No sensitive position in the Postal Establishment shall be filled or occupied by any person with respect to whom a full field investigation has not been conducted: *Provided*, That a person occupying a sensitive position at the time it is designated as such may continue to occupy such position pending the com-

pletion of a full field investigation, subject to the other provisions of the regulations in §§ 135.51 to 135.59: *And provided further* That in case of emergency a sensitive position may be filled for a limited period of time by a person with respect to whom a full field pre-appointment investigation has not been completed if the Postmaster General finds that such action is necessary in the national interest. Such finding shall be made a part of the personnel record of the person concerned.

(d) Whenever a security investigation being conducted with respect to an employee of the Postal Establishment develops information relating to any of the matters described in subparagraphs (2) through (7) of § 135.53 (b), or indicates that an employee has been subject to coercion, influence, or pressure to act contrary to the interests of the national security, the matter shall be referred to the Federal Bureau of Investigation for a full field investigation.

(e) Investigation reports received from the Civil Service Commission or the Federal Bureau of Investigation shall be evaluated by the Personnel Security Officer of the Postal Establishment.

§ 135.55 *Suspension and termination.* (a) The authority conferred by the act of August 26, 1950, 64 Stat. 476, upon the heads of departments and agencies to which such act is applicable to suspend civilian employees, without pay, when deemed necessary in the interests of the national security is hereby delegated with respect to employees of the Postal Establishment to the Assistant Postmasters General and other bureau heads having jurisdiction over said employees within their respective bureaus.

(b) Upon receipt of an investigative report containing derogatory information relating to any of the matters described in paragraph (b) of § 135.53, the Personnel Security Officer of the Postal Establishment shall immediately evaluate the report from the standpoint of the security of the Postal Establishment and if he deems suspension advisable in the interest of security, he shall forward the report together with the evaluation to the Assistant Postmaster General or bureau head concerned.

(c) Upon receipt of the investigative report and the evaluation of the Personnel Security Officer, the Assistant Postmaster General or other bureau head having jurisdiction shall make an immediate determination as to the necessity for suspension of the employee in the interests of the national security. If he deems such suspension necessary, the employee shall be suspended immediately and a copy of the notice of suspension placed in the investigative file. If he does not deem such suspension necessary, a written determination to that effect shall be placed in the investigative file. In either event, upon completion of the determination, the file will be returned to the Personnel Security Officer.

(d) Factors to be taken into consideration in making the determination required by paragraphs (b) and (c) of this section shall include, but shall not be limited to, (1) the seriousness of the

derogatory information developed, (2) the possible access, authorized or unauthorized, of the employee to security information or material, and (3) opportunity, by reason of the nature of the position, for committing acts adversely affecting the national security.

(e) In case the employee is suspended, he shall be notified as soon as possible of the reasons for his suspension. Such notice shall be in writing, and shall be as specific and detailed as security considerations, including the need for protection of confidential sources of information, permit.

(f) A suspended employee shall have the right to submit, within 30 days after notification of suspension, to the Personnel Security Officer, statements and affidavits refuting or explaining the stated reasons for suspension. Such statements and affidavits shall be considered by the Personnel Security Officer for sufficiency and after consultation with the Solicitor, a joint recommendation for the disposition of the case shall be made to the Postmaster General. If the Personnel Security Officer and the Solicitor are in disagreement, individual recommendation shall be made by them.

(g) On the basis of the recommendation or recommendations of the Solicitor and the Personnel Security Officer and of his own review of the case, the Postmaster General shall make his determination of the case as follows:

(1) If he finds that reinstatement of the suspended employee in the position from which he has been suspended is clearly consistent with the interests of the national security, he shall restore the suspended employee to duty in such position, and the employee shall be compensated for the period of suspension.

(2) If he does not find that reinstatement in the position from which he has been suspended will be clearly consistent with the interests of the national security, but that employment of the suspended employee in another position in the Postal Establishment is clearly consistent with the interests of the national security, he may restore the employee to duty in such other position.

(3) If he does not find that reinstatement of the suspended employee to any position in the Postal Establishment is clearly consistent with the interests of the national security, he shall terminate the employment of the suspended employee.

(4) If the employment of the suspended employee is terminated, the employee shall be given a written notice of such termination.

(h) In addition to the protection granted by paragraphs (e) through (g) of this section to all employees of the Postal Establishment, any employee who is a citizen of the United States and who has a permanent or indefinite appointment and has completed his probationary or trial period shall be entitled to the following:

(1) A written statement of charges shall be furnished the employee within 30 days after his suspension. The statement shall be signed by the Personnel Security Officer and shall be as specific and detailed as security considerations,

including the need for protection of confidential sources of information, permit, and shall be subject to amendment within 30 days of issuance.

(2) An opportunity shall be afforded the employee to answer, within 30 days after issuance of the statement of charges, or within 30 days after the amendment thereof, such charges and submit affidavits. Statements in refutation of the charges and supporting documents shall be forwarded to the Personnel Security Officer, who shall consult with the Solicitor to determine the sufficiency of the answer.

(3) If the Personnel Security Officer and Solicitor agree that the answer is sufficient to negative the charges, a joint recommendation shall be made to the Postmaster General that the case be closed in favor of the employee. If the Personnel Security Officer and the Solicitor are in disagreement, individual recommendations shall be made by them for determination by the Postmaster General whether the case should be closed or proceed to hearing if one has been requested. If the Personnel Security Officer and Solicitor agree that the answer is not sufficient to negative the charges, and the employee has so requested, he shall be given a hearing.

(4) The hearing shall be before a hearing board composed of at least three impartial, disinterested persons, selected in accordance with the procedure set forth in § 135.58. The hearing shall be conducted in strict accordance with the procedure set forth in § 135.59. The decision of the hearing board shall be in writing and shall be signed by all members of the board and shall be forwarded to the Postmaster General, together with all papers and exhibits.

(5) The entire case shall be reviewed by the Postmaster General before a decision as to the final action to be taken is made. The review shall be based on the study of all the documents in the case, including the record of the hearing before the hearing board.

(6) The employee shall be furnished a written statement of the decision of the Postmaster General.

(i) Copies of all notices of personnel action taken in security cases shall be supplied at once by the Personnel Security Officer to the Civil Service Commission.

§ 135.56 *Readjudication of certain cases.* The Personnel Security Officer shall review all cases of employees of the Postal Establishment with respect to whom there has been conducted a full field investigation under Executive Order No. 9835 of March 21, 1947. After such further investigation as may be appropriate, such of those cases as have not been adjudicated under a security standard commensurate with that established by Executive Order No. 10450 of April 27, 1953, and the regulations in §§ 135.51 to 135.59, inclusive, shall be readjudicated in accordance with the said act of August 26, 1950, and the regulations in §§ 135.51 to 135.59, inclusive.

§ 135.57 *Reemployment of employees whose employment has been terminated.* No person whose employment has been terminated by any department or agency

other than the Postal Establishment under or pursuant to the provisions of the said act of August 26, 1950, or pursuant to the said Executive Order No. 9835 or any other security or loyalty program, shall be employed in the Postal Establishment unless the Postmaster General finds that such employment is clearly consistent with the interests of the national security and unless the Civil Service Commission determines that such person is eligible for such employment. The finding of the Postmaster General and the determination of the Civil Service Commission shall be made a part of the personnel record of the person concerned.

§ 135.58 *Security hearing boards.* (a) Security hearing boards of the Postal Establishment shall be composed of not less than three civilian officers or employees of the Federal Government, selected by the Postmaster General from rosters maintained for that purpose by the Civil Service Commission in Washington, D. C., and at regional offices of the Commission.

(b) No officer or employee of the Postal Establishment shall serve as a member of a security hearing board hearing the case of an employee of the Postal Establishment.

(c) No person shall serve as a member of a security hearing board hearing the case of an employee with whom he is acquainted.

(d) The Personnel Security Officer of the Postal Establishment shall nominate three civilian officers or employees to the security hearing board roster maintained in Washington by the Civil Service Commission. The Personnel Security Officer shall nominate the necessary civilian officers or employees outside of Washington to the security hearing board roster maintained at the appropriate regional office of the Civil Service Commission.

(e) Officers and employees nominated to security hearing board rosters maintained by the Civil Service Commission, both in and outside of Washington, D. C., shall be persons of responsibility, unquestioned integrity, and sound judgment. Each such nominee shall have been the subject of a full field investigation, and his nomination shall be determined to be clearly consistent with the interests of the national security.

(f) The Personnel Security Officer shall whenever appropriate, provide stenographic facilities to the security hearing boards of the Postal Establishment when needed to provide an accurate stenographic transcript of the hearing.

(g) The Personnel Security Officer shall be responsible for the preparation of the charges against the employee to be presented to the security hearing board. Whenever possible the Postmaster General shall be represented at the hearing by a person designated by the Solicitor. Such representative shall not act as prosecutor, but shall aid the board in its determination as to procedure, and shall advise the employee of his rights before the board upon request of the employee.

§ 135.59 *Hearing procedure.* (a) Hearings before security hearing boards shall be conducted in an orderly manner,

and in a serious, business-like atmosphere of dignity and decorum, and shall be expedited as much as possible.

(b) Testimony before the hearing boards shall be given under oath or affirmation.

(c) The hearing board shall take whatever action is necessary to insure the employee of a full and fair consideration of his case. The employee shall be informed by the board, a reasonable time in advance, of the date and place of hearing, also of his right (1) to participate in the hearings, (2) to be represented by counsel of his choice, (3) to present witnesses and offer other evidence in his own behalf and in refutation of the charges brought against him, and (4) to cross-examine any witness offered in support of the charge.

(d) Hearings shall be opened by the reading of the letter setting forth the charges against the employee, and the statements and affidavits by the employee in answer to such charges.

(e) Both the Postal Establishment and the employee may introduce such evidence as the hearing board may deem proper in the particular case. Rules of evidence shall not be binding on the board, but reasonable restrictions shall be imposed as to the relevancy, competency, and materiality of matters considered, so that the hearings shall not be unduly prolonged. If the employee is, or may be, handicapped by the non-disclosure to him of confidential information or by lack of opportunity to cross-examine confidential informants, the hearing board shall take that fact into consideration. If a person who has made charges against the employee and who is not a confidential informant is called as a witness but does not appear, his failure to appear shall be considered by the board in evaluating such charges, as well as the fact that there can be no payment for travel witnesses.

(f) The employee or his counsel shall have the right to control the sequence of witnesses called by him. Reasonable cross-examination of witnesses by the employee or his counsel shall be permitted.

(g) The hearing board shall give due consideration to documentary evidence developed by investigation, including party membership cards, petitions bearing the employee's signature, books, treatises or articles written by the employee, and testimony by the employee before duly constituted authorities. The fact that such evidence has been considered shall be made a part of the transcript of the hearing.

(h) Hearing boards may, in their discretion, invite any person to appear at the hearing and testify. However, a board shall not be bound by the testimony of such witnesses by reason of having called him, and shall have full right to cross-examine him.

(i) Hearing boards shall conduct the hearing proceedings in such manner as to protect from disclosure information affecting the national security or tending to disclose or compromise investigative sources or methods.

(j) Complete verbatim stenographic transcript shall be made of the hearing

by qualified reporters, and the transcript shall constitute a permanent part of the record. Upon request, the employee or his counsel may be furnished, at reasonable cost, a copy of the transcript of the hearing or may be loaned a copy for a reasonable time.

(k) The board shall reach its conclusions and base its determination on the transcript of the hearing, together with such confidential information as it may have in its possession. The board, in making its determination, shall take into consideration the inability of the employee to meet charges of which he has not been advised, because of security reasons, specifically or in detail, or to attack the credibility of witnesses who do not appear. The decision of the board shall be in writing, and shall be signed by all members of the board. The decision of the board, together with the complete record of the case, including investigative reports, and all copies of the transcript shall be sent to the Postmaster General.

(l) Hearings shall be private. There shall be present at the hearing only the members of the hearing board, the stenographer or stenographers, the employee, his counsel, department employees concerned and the witness. Witnesses shall be present at the hearing only when actually giving testimony.

[SEAL]

ROSS RIZLEY,
Solicitor

[F. R. Doc. 53-8611; Filed, Oct. 8, 1953;
8:46 a. m.]

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

PART 1—PRACTICE AND PROCEDURE

ADOPTION OF COMBINED APPLICATION, RECORD AND PERMIT FORMS FOR RESTRICTED RADIOTELEPHONE OPERATOR PERMITS

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 30th day of September 1953;

The Commission having under consideration the matter of application and associated forms and the procedure for applying for new restricted radiotelephone operator permits; and

It appearing that the provision of a simplified application form to be used in filing applications for new Restricted Radiotelephone Operator Permit would result in a saving of time and effort on the part of both the Commission and prospective operators and that such saving would be in the public interest, and

It further appearing, that notice of proposed rule making is not required herein under sections 4 (a) and (b) of the Administrative Procedure Act since the proposed change is procedural and not substantive in nature;

It is ordered, Under the authority contained in sections 4 (l) and 303 (l) and (r) of the Communications Act of 1934, as amended, that Part 1 of the Commis-

sion's rules is amended, as set forth below, effective November 15, 1953;

It is further ordered, That there is adopted, effective November 15, 1953, a simplified application form, FCC Form 753-1, entitled "Application for Restricted Radiotelephone Operator Permit by Declaration" combined with FCC Form 753-2 and FCC Form 753-3¹ to be used, respectively, for purposes of Commission records and issuance of the aforementioned operator permit.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interprets or applies sec. 303, 48 Stat. 1082, as amended; 47 U. S. C. 303)

Released: October 6, 1953.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] Wm. P. MASSING,
Acting Secretary.

Section 1.329 (a) is amended to read as follows:

'§ 1.329 *Application for radio operator license.* (a) Application for a new, renewed, replacement or duplicate commercial radio operator license (other than an aircraft radiotelephone authorization) or for an endorsement thereon, or for a verification card, shall be filed on FCC Form No. 756, entitled "Application for Commercial Radio Operator License or Permit". *Provided*, That application for a new restricted radiotelephone operator permit may be filed on FCC Form No. 753-1, entitled "Application for Restricted Radiotelephone Operator Permit by Declaration". Application for an aircraft radiotelephone operator authorization shall be filed on FCC Form No. 756-A, entitled "Application for Aircraft Radiotelephone Operator Authorization".

[F. R. Doc. 53-8627; Filed, Oct. 8, 1953;
8:49 a. m.]

PART 13—COMMERCIAL RADIO OPERATORS TERM OF LICENSES

In the matter of amendment of § 13.4 of Commission's rules governing Commercial Radio Operators to provide for issuance of Restricted Radiotelephone Operator Permits for the lifetime of the operator and extend the term of outstanding permits of that class.

At a session of the Federal Communications Commission held in its offices in Washington, D. C., on the 30th day of September 1953;

The Commission having under consideration § 13.4 of its rules governing Commercial Radio Operators (Part 13) which provides for the normal issuance of commercial radio operator licenses for a term of five years; and

It appearing, that restricted radiotelephone operator permits are issued without examination and that holders of licenses of these classes are not required to present evidence periodically of their qualifications as commercial radio operators as certain other classes normally are required to do; and

It further appearing, that accordingly it would be in the public interest as well

¹Filed as part of original document.

as serving the interests of administrative efficiency to provide that such licenses be issued for the lifetime of the operator, subject to suspension pursuant to the provisions of section 303 (M) (1) of the Communications Act and the Commission's rules and regulations; and

It further appearing, that authority for amendment of Part 13 of Commission rules to lengthen the term of restricted radiotelephone operator permit is contained in subsections 4 (i) and 303 (l) and (r) of the Communications Act of 1934, as amended; and

It further appearing, that notice of proposed rule making in this matter is unnecessary because the action herein taken can have no adverse effect on any interested party.

It is ordered, That, effective November 15, 1953, the term of all restricted radiotelephone operator permits issued prior to November 15, 1953, which are outstanding on that date is extended to be valid for the lifetime of the holder of the license unless suspended by the Commission.

It is further ordered, That § 13.4 of Part 13 of the Commission's rules and regulations is amended effective November 15, 1953, as follows:

§ 13.4 *Term of licenses.* Commercial operator licenses (except restricted radiotelephone operator permits) will normally be issued for a term of five years from date of issuance. Restricted radiotelephone operator permits will

normally be issued for the lifetime of the operator. The term of all restricted radiotelephone operator permits issued prior to November 15, 1953, which are outstanding on that date is extended to encompass the lifetime of such operators.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interprets or applies sec. 303, 48 Stat. 1082, as amended; 47 U. S. C. 303)

Released: October 6, 1953.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] WM. P. MASSING,
Acting Secretary.

[F. R. Doc. 53-8628; Filed, Oct. 8, 1953;
8:50 a. m.]

PROPOSED RULE MAKING

FEDERAL COMMUNICATIONS COMMISSION

I 47 CFR Part 12 I

[Docket No. 10712]

AMATEUR RADIO SERVICE

OPERATOR EXAMINATIONS

1. Notice is hereby given of proposed rule making in the above entitled matter.

2. The Commission is of the opinion that the processing of amateur licenses can be accelerated by providing that a larger percentage of amateur examinations be held under the supervision of licensed amateurs or commercial operators rather than at the Commission's field offices and that the beneficial effect of such an acceleration outweighs any possible adverse effect on the amateur service which might result from a lowering of amateur standards resulting therefrom. Accordingly, the Commission proposes:

A. To give Novice and Technician Class amateur operator examinations by mail only.

B. To reduce, from 125 to 50 miles, the distance from Commission examination points beyond which resident applicants are eligible to take a Conditional Class amateur operator examination.

The proposed rule amendments to Part 12 appear below.

3. The proposed amendments are issued under the authority of sections 4 (i) and 303 (l) of the Communications Act of 1934, as amended.

4. Any interested person who is of the opinion that the proposed amendments should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission, on or before December 31, 1953, a written statement or brief setting forth his comments. At the same time any person who favors the amendments as set forth may file a statement in support thereof. Comments or briefs in reply to the original comments or briefs may be filed within 15 days from the last day for filing the said original comments or

briefs. The Commission will consider all such comments, briefs, and statements before taking final action. If any comments are received which appear to warrant the Commission in holding an oral argument before final action is taken, notice of the time and place of such oral argument will be given such interested parties.

5. In accordance with the provisions of § 1.764 of the Commission's rules, an original and three copies of all statements, briefs, or comments shall be furnished the Commission.

Adopted: September 30, 1953.

Released: October 6, 1953.

FEDERAL COMMUNICATIONS

COMMISSION,

[SEAL] WM. P. MASSING,
Acting Secretary.

Part 12, rules, governing Amateur Radio Service, is proposed to be amended in the following particulars:

1. Amend § 12.21 (d) to read as follows:

(d) *Conditional class.* Any citizen of the United States whose actual residence and amateur station location are more than 50 miles airline distant from the nearest location at which examinations are held at intervals of not more than 3 months for General Class amateur operator license; or who is shown by physician's certificate to be unable to appear for examination because of protracted disability; or who is shown by certificate of the commanding officer to be in the armed forces of the United States at an Army, Navy, Air Force or Coast Guard station and, for that reason, to be unable to appear for examination at the time and place designated by the Commission.

2. Amend § 12.44 (a) (1) (b) and (c) to read as follows:

§ 12.44 *Manner of conducting examinations.* (a) The examinations for Extra and General Classes of amateur operator licenses will be conducted by an authorized Commission employee or representative at locations and at times

specified by the Commission. The examinations for Conditional Class, as well as Technician and Novice Class licenses will be conducted in accordance with the provisions of paragraph (c) of this section. The examinations for Conditional Class will be available only under one or more of the following conditions:

(1) If the applicant's actual residence and proposed amateur station location are more than 50 miles airline distant from the nearest location at which examinations are conducted by an authorized Commission employee or representative at intervals of not more than 3 months for amateur operator licenses; or

(b) A holder of a Conditional Class license obtained on the basis of an examination under the provisions of paragraph (c) of this section is not required to be re-examined when changing residence and station location to within 50 miles of such licensee's residence and station location.

(c) Each examination for Conditional Class license, or for Technician, or Novice Class license shall be conducted and supervised by not more than two volunteer examiners, whom the Commission may designate or permit the applicant to select (not more than one examiner for the code test and not more than one examiner for the complete written examination). In the event the examiner for the code test is selected by the applicant, such examiner shall be the holder of an Extra Class, Advanced Class, or General Class amateur operator license; or shall have held, within the 5 years prior to the date of the examination, a commercial radiotelegraph operator license issued by the Commission, or within that time shall have been employed in the service of the United States as the operator of a manually operated radiotelegraph station. The examiner for the written test shall be at least 21 years of age. Examinations for Conditional Class will be available only under special conditions set forth in paragraph (a) (1) (2) or (3) of this section.

[F. R. Doc. 53-8628; Filed, Oct. 8, 1953;
8:50 a. m.]

NOTICES

DEPARTMENT OF AGRICULTURE

Office of the Secretary

TENNESSEE

DISASTER ASSISTANCE; DELINEATION AND CERTIFICATION OF COUNTIES CONTAINED IN DROUGHT AREA

Pursuant to the authority delegated to me by the Administrator of the Federal Civilian Defense Administration (18 F. R. 4609) and for the purposes of section 2 (d) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, the following counties are determined to be in the area affected by the major disaster occasioned by drought determined by the President on September 18, 1953, pursuant to Public Law 875, 81st Congress:

TENNESSEE

Benton.	Henry.
Carroll.	Lake.
Dyer.	Obion.
Gibson.	Weakley.

Done this 5th day of October 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-8612; Filed, Oct. 8, 1953;
8:46 a. m.]

MISSOURI

DISASTER ASSISTANCE; DELINEATION AND CERTIFICATION OF COUNTIES CONTAINED IN DROUGHT AREA

Pursuant to the authority delegated to me by the Administrator of the Federal Civilian Defense Administration (18 F. R. 4609) and for the purposes of section 2 (d) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, the following additional counties are determined to be in the area affected by the major disaster occasioned by drought determined by the President on July 15, 1953, pursuant to Public Law 875, 81st Congress:

MISSOURI

Buchanan.	Linn.
Caldwell.	Livingston.
Carroll.	Platte.
Charlton.	Ray.
Clay.	Sullivan.
Clinton.	

Done this 5th day of October 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-8613; Filed, Oct. 8, 1953;
8:46 a. m.]

KENTUCKY

DISASTER ASSISTANCE; DELINEATION AND CERTIFICATION OF COUNTIES CONTAINED IN DROUGHT AREA

-Pursuant to the authority delegated to me by the Administrator of the Fed-

eral Civilian Defense Administration (18 F. R. 4609) and for the purposes of section 2 (d) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, the following counties are determined to be in the area affected by the major disaster occasioned by drought determined by the President on September 16, 1953, pursuant to Public Law 875, 81st Congress:

KENTUCKY

Ballard.	Henderson.
Calloway.	Hickman.
Carlisle.	Livingston.
Crittenden.	McCracken.
Davless.	McLean.
Fulton.	Trigg.
Graves.	Union.
Hancock.	

Done this 5th day of October 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-8614; Filed, Oct. 8, 1953;
8:46 a. m.]

MISSISSIPPI

DISASTER ASSISTANCE; DELINEATION AND CERTIFICATION OF COUNTIES CONTAINED IN DROUGHT AREA

Pursuant to the authority delegated to me by the Administrator of the Federal Civilian Defense Administration (18 F. R. 4609) and for the purposes of section 2 (d) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, the following counties are determined to be in the area affected by the major disaster occasioned by drought determined by the President on September 16, 1953, pursuant to Public Law 875, 81st Congress:

MISSISSIPPI

Bolivar.	Quitman.
Coahoma.	Tunica.

Done this 5th day of October 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-8615; Filed, Oct. 8, 1953;
8:47 a. m.]

NORTH CAROLINA

DISASTER ASSISTANCE; DELINEATION AND CERTIFICATION OF COUNTIES CONTAINED IN DROUGHT AREA

Pursuant to the authority delegated to me by the Administrator of the Federal Civilian Defense Administration (18 F. R. 4609) and for the purposes of section 2 (d) of Public Law 38, 81st Congress, as amended by Public Law 115, 83d Congress, the following counties are determined to be in the area affected by the major disaster occasioned by drought determined by the President on September 16, 1953, pursuant to Public Law 875, 81st Congress:

NORTH CAROLINA

Alamance.	Lee.
Alexander.	Orange.
Caswell.	Pertot.
Durham.	Rockingham.
Franklin.	Surry.
Granville.	Vance.
Gulford.	Wake.
Hallfax.	Warren.

Done this 5th day of October 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-8616; Filed, Oct. 8, 1953;
8:47 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-2257]

NORTHEASTERN GAS TRANSMISSION CO.

NOTICE OF APPLICATION

OCTOBER 5, 1953.

Take notice that Northeastern Gas Transmission Company (Applicant) a Delaware corporation having its principal place of business at 31 Hillman Street, Springfield, Massachusetts, filed on September 23, 1953, an application, pursuant to section 7 (b) of the Natural Gas Act, for permission and approval to abandon its natural-gas service to the Framingham Division of Worcester Gas Light Company.

Applicant seeks authority to abandon this service in accordance with the provisions of the Commission's Opinion No. 259 and accompanying order issued August 6, 1953, in Docket Nos. G-1568, et al., which authorized service to the Framingham Division by Algonquin Gas Transmission Company contingent upon approval of the abandonment requested by Applicant.

Protests or petitions to intervene may be filed with the Federal Power Commission, 441 G Street NW., Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 26th day of October 1953. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-8618; Filed, Oct. 8, 1953;
8:47 a. m.]

[Project No. 135]

PORTLAND GENERAL ELECTRIC CO.

NOTICE OF ORDER FURTHER AMENDING LICENSE (MAJOR)

OCTOBER 5, 1953.

Notice is hereby given that on August 5, 1953, the Federal Power Commission issued its order adopted July 29, 1953, further amending license (Major) in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-8608; Filed, Oct. 8, 1953;
8:45 a. m.]

[Project No. 1494]

GRAND RIVER DAM AUTHORITY

NOTICE OF ORDER FURTHER AMENDING
LICENSE (MAJOR)

OCTOBER 5, 1953.

Notice is hereby given that on August 6, 1953, the Federal Power Commission issued its order adopted July 29, 1953, further amending license (Major) in the above-entitled matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-8609; Filed, Oct. 8, 1953;
8:45 a. m.]

FEDERAL COMMUNICATIONS
COMMISSION

[Docket No. 10089]

JAMES M. TISDALE (WVCH)

NOTICE OF HEARING

In re application of James M. Tisdale (WVCH) Chester, Pennsylvania, for construction permit; Docket No. 10089, File No. BP-8100.

Notice is hereby given that the hearing in the above-entitled proceeding, heretofore continued indefinitely by order dated March 16, 1953, will com-

mence at 10:00 a. m., November 9, 1953, in Washington, D. C.

Dated: October 2, 1953.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] WM. P. MASSING,
Acting Secretary.

[F. R. Doc. 53-8630; Filed, Oct. 8, 1953;
8:50 a. m.]

[Change List No. 526]

U. S. STANDARD BROADCAST STATIONS
LIST OF CHANGES, PROPOSED CHANGES, AND
CORRECTIONS IN ASSIGNMENTS

SEPTEMBER 30, 1953.

Notification under the provisions of Part III, section 2 of the North American Regional Broadcasting Agreement.

This notification consists of a list of changes, proposed changes, and corrections in assignments of United States Standard Broadcast Stations modifying the Appendix containing assignments of United States Standard Broadcast Stations, Mimeograph No. 48126, attached to the "Recommendations of the North American Regional Broadcasting Agreement Engineering Meeting January 30, 1941" as amended.

UNITED STATES

Call letters	Location	Power (kw.)	Antenna	Schedule	Class	Date of FCC action	Proposed date of change or commencement of operation
(NEW)...	Staunton, Va.....	900 kilocycles 1	ND	D	II	Sept. 30, 1953	Sept. 30, 1954.
WBBF..	Rochester, N. Y. (change in call letters from WARC).	950 kilocycles					
		1000 kilocycles					
KXOO..	Obico, Calif. (increase in night power from 5 kw and changes in directional antenna system).	10	DA-N	U	II	Sept. 30, 1953	Sept. 30, 1954.
		1250 kilocycles					
WIZZ....	Streator, Ill.....	0.5	DA	D	III		Now in operation.
		1400 kilocycles					
WBAR..	Bartow, Fla.....	1	ND	D	III		Now in operation.

[SEAL]

FEDERAL COMMUNICATIONS COMMISSION,
WM. P. MASSING,
Acting Secretary.

[F. R. Doc. 53-8631; Filed, Oct. 8, 1953; 8:50 a. m.]

INTERSTATE COMMERCE
COMMISSION

[4th Sect. Application 28522]

ANHYDROUS AMMONIA FROM SOUTH POINT,
OHIO, TO MAROA, ILL.

APPLICATION FOR RELIEF

OCTOBER 6, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by J. R. Wall, Agent, for carriers parties to schedule listed below.

Commodities involved: Anhydrous ammonia, in tank-car loads.
From: South Point, Ohio.
To: Maroa, Ill.

Grounds for relief: Competition with rail carriers, circuitous routes.

Schedules filed containing proposed rates: Norfolk and Western Railway Company tariff I. C. C. No. 9515, supp. 19.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than ap-

plicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-8610; Filed, Oct. 8, 1953;
8:47 a. m.]

[4th Sec. Application 28523]

PACKING HOUSE PRODUCTS FROM ILLINOIS,
IOWA, AND MISSOURI TO NORTON, VA.,
GROUP

APPLICATION FOR RELIEF

OCTOBER 6, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below. Commodities involved: Packing-house products, carloads.

From: Madison, Milwaukee, North Madison, and Cudahy, Ill., Clinton, Davenport, and Dubuque, Iowa, St. Louis, Mo., Chicago and other points in Illinois. To: Norton, Va., and points grouped therewith.

Grounds for relief: Competition with rail carriers, circuitous routes, to maintain grouping.

Schedules filed containing proposed rates: R. G. Raasch, Agent, tariff I. C. C. No. 754, supp. 13.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-8620; Filed, Oct. 8, 1953;
8:47 a. m.]

[4th Sec. Application 28524]

CAST IRON PIPE FROM TEXAS TO MISSOURI
AND ILLINOIS

APPLICATION FOR RELIEF

OCTOBER 6, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Cast iron pipe and related articles, carloads.

From: Fort Worth, Lone Star, Marshall, Swan, and Tyler, Tex.

To: East St. Louis and Alton, Ill., St. Louis, Columbia, Hannibal, Independence, Jefferson City, St. Joseph, Kansas City; and Sedalia, Mo.

Grounds for relief: Competition with rail carriers, circuitous routes, market competition, to apply rates constructed on the basis of the short-line distance formula.

Schedules filed containing proposed rates; F. C. Kratzmeir, Agent, tariff I. C. C. No. 4044, supp. 6.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.[F. R. Doc. 53-8621; Filed, Oct. 8, 1953;
8:48 a. m.]

[4th Sec. Application 28525]

RAYON FIBRE FROM NITRO, W. VA., TO THE
SOUTH

APPLICATION FOR RELIEF

OCTOBER 6, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: J. R. Wall, Agent, for carriers parties to schedule listed below.

Commodities involved: Rayon fibre, carloads.

From: Nitro, W. Va.

To: Points in southern territory.

Grounds for relief: Competition with rail carriers, circuitous routes, competition with motor carriers, to maintain grouping.

Schedules filed containing proposed rates: L. C. Schuldt, Agent, tariff I. C. C. No. 4510, supp. 27.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.[F. R. Doc. 53-8622; Filed, Oct. 8, 1953;
8:48 a. m.]

[4th Sec. Application 28526]

PHOSPHATIC FEED SUPPLEMENTS FROM
HOUSTON AND TEXAS CITY, TEX., AND
OFFICIAL TERRITORY TO SOUTHWESTERN,
SOUTHERN, OFFICIAL AND WESTERN
TRUNK-LINE TERRITORIES AND SOUTH-
WEST

APPLICATION FOR RELIEF

OCTOBER 6, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Phosphatic feed supplements, such as phosphate dicalcium, feed grade, bone meal, etc., carloads, (a) from Houston and Texas City, Tex., to points in southwestern, southern, official, and western trunk-line territories, and (b) from specified points in official territory, to the Southwest.

Grounds for relief: Competition with rail carriers, circuitous routes, to apply rates constructed on the basis of the short-line distance formula.

Schedules filed containing proposed rates; F. C. Kratzmeir, Agent, tariff I. C. C. No. 4076.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of

an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.[F. R. Doc. 53-8623; Filed, Oct. 8, 1953;
8:48 a. m.]

[4th Sec. Application 28527]

CAUSTIC SODA FROM BALDWIN, ARK., TO
CLINTON, IOWA

APPLICATION FOR RELIEF

OCTOBER 6, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for the Missouri Pacific Railroad Company, Missouri-Illinois Railroad Company, and Chicago, Burlington & Quincy Railroad Company.

Commodities involved: Caustic soda, in solution, tank-car loads.

From: Baldwin, Ark.

To: Clinton, Iowa.

Grounds for relief: Competition with rail carriers, circuitous routes, additional route.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, tariff I. C. C. No. 3908, supp. 159.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
Acting Secretary.[F. R. Doc. 53-8624; Filed, Oct. 8, 1953;
8:48 a. m.]

[4th Sec. Application 28528]

MOULDING SAND FROM GLENCOE, ALA., TO
SWAN AND TYLER, TEX.

APPLICATION FOR RELIEF

OCTOBER 6, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: F. C. Kratzmeir, Agent, for carriers parties to schedule listed below.

Commodities involved: Moulding sand, carloads.

From: Glencoe, Ala.

To: Swan and Tyler, Tex.

Grounds for relief: Competition with rail carriers, circuitous routes, to apply rates constructed on the basis of the short-line distance formula.

Schedules filed containing proposed rates: F. C. Kratzmeir, Agent, tariff I. C. C. No. 3736, supp. 233.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary

relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL]

GEORGE W LAIRD,
Acting Secretary.

[F. R. Doc. 53-8625; Filed, Oct. 8, 1953;
8:49 a. m.]

[Drouth Order 49, Amdt. 1]

TRANSPORTATION OF HAY, FEED AND
LIVESTOCK IN DISASTER AREA

REDUCED RATES

In the matter of relief under section 22 of the Interstate Commerce Act.

Upon consideration of a request by the Acting Secretary of Agriculture dated October 1, 1953, to include the States of Tennessee and Virginia in the disaster area.

It is ordered, That the order of September 22, 1953, be, and it is hereby amended to include within its provisions the States of Tennessee and Virginia.

It is further ordered, That notice to the affected railroads and the general public shall be given by depositing a copy of this order in the office of the Secretary of the Commission and by filing a copy with the Director, Division of the Federal Register; and that copies be mailed to the Chairman of the Traffic Executive Association—Eastern Railroads, New York, N. Y., the Chairman of the Southern Freight Association, Atlanta, Georgia, the Chairman of the Executive Committee, Western Traffic Association, Chicago, Illinois, the Traffic Vice-President of the Association of American Railroads, Washington, D. C., and to the President of the American Short Line Railroad Association, Washington, D. C.

Dated at Washington, D. C., this 2d day of October 1953.

By the Commission.

[SEAL]

GEORGE W LAIRD,
Acting Secretary.

[F. R. Doc. 53-8626; Filed, Oct. 8, 1953;
8:49 a. m.]